

December 18, 2001

Docket Clerk
AMS Fruit and Vegetable Programs
Market Order Administration Branch
USDA Mail Stop 0237
1400 Independence Avenue SW
Washington, DC 20250-0201



To All Concerned,


It is my wish to convey to you in the strongest terms possible my condemnation of the proposed Federal Hop Marketing Order. As you well know, our industry has attempted to operate under three previous federal marketing orders. The results of these previous orders have been dubious to say the least. One thing is clear, there were winners and losers as a result of the last order. Regrettably, many growers who were harmed by the last order are no longer in the hop industry and able to share their frustration with the process. I find my family a representative of this group.

While I applaud the proponent committee's effort to bring change to a troubled industry, it is my opinion that a Federal Marketing Order will not be a long lasting benefit to the U.S. hop grower. The hop market is extremely global in nature, and without controls over the entire world, our efforts to control the supply of hops will only serve to harm the U.S. grower. Also, while I can appreciate the benefit of having a uniform market and price for my hops, history has shown that marketing orders will not foster this result. A 1982 analysis by the U.S. Office of Management and Budget compared the variation in prices of crops under production controls with that of crops without controls. The result of this study found that prices for controlled crops were 3.3 percent more variable on average than prices for uncontrolled crops (coefficients of variation for production-controlled crops average .411, and for uncontrolled crops coefficients averaged .398).

Few can argue that the pure free market system is without fault, however the results of human manipulation are often not the results intended. Blame for the outcome and demise of the last Federal Hop Marketing Order is often scattered across individual growers, the H.A.C. committee, and the USDA. I appreciate the proponent committee's foresight in trying to correct some of the problems with the last Federal Hop Marketing Order, however we will not find a solution to the fact that human nature leads each man to look out for his own survival. Even a committee of "human" growers will not overcome our individual survival instincts.

History can be a rear-view mirror to our future. While a prudent driver concentrates on the road ahead, an occasional glance back saves us from being rear-ended.

Kevin G. Riel


President
Double 'R' Hop Ranches, Inc.
Harrah, Wa.